

The Highland Council

Resources Committee

15 April 2009

Agenda Item	
Report No	

**Revenue Expenditure Monitoring Report
1 April 2008 to 28 February 2009**

Report by Depute Chief Executive & Director of Finance

Summary

This report provides members with information on the revenue monitoring statement for the Finance Service for the period 1 April 2008 to 28 February 2009.

1. Monitoring overview

1.1 A monitoring statement is attached as an Appendix. The statement shows that in the period to 28 February 2009 the service has incurred net expenditure of £4.757m against an annual budget of £6.863m. The estimated outturn is £6.512m which represents a predicted underspend of £0.351m.

2. Year end outturn variances

2.1 Higher than expected vacancy levels are expected to realise significant year end underspends for the service, comprising Procurement £93k, Business & Technical Support £35k, Accounting £58k, Corporate Finance £28k, Internal Audit and Risk Management £55k, Payroll, Pensions and Creditors £82k and Exchequer £236k.

2.2 Staff previously involved on the Payroll and Personnel Project are continuing on a reduced scale to maintain the system and assist with job evaluation. Additional staffing costs of £40k are anticipated and this will be funded from savings overall within the Service.

2.3 The Payroll, Pension and Creditors section is projecting £60k of additional other costs relating to the new pensions hosted service which is currently being implemented.

2.4 Within Exchequer there have been additional processing costs of £60k, but these have been more than compensated for by savings in operational staff costs. The reduced staff costs are attributable to higher than anticipated staff turnover since April 2008, although every effort has been made to recruit and

retrain for each vacant post. Additional computer costs have been incurred on a performance management system, necessary to achieve maximum processing efficiency.

Recommendation

Members are asked to consider and approve the Finance Service Revenue Monitoring Report for the period to 28 February 2009.

Signature:

Designation: Depute Chief Executive and Director of Finance

Date: 1 April 2009

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FINANCE SERVICES Revenue Expenditure Monitoring Report

1 April 2008 to 28 February 2009

Finance Services

	£000 Actual Year To Date	£000 Annual Budget	£000 Year End Estimate	£000 Year End Variance	Notes
BY ACTIVITY					
Directorate	174	18	18	0	
Procurement	428	732	604	(128)	
Business & Technical Support	606	755	720	(35)	
Accounting	797	1,506	1,428	(78)	
Corporate Finance	350	461	433	(28)	
Internal Audit & Risk Management	212	377	322	(55)	
Payroll, Pensions & Creditors	360	602	580	(22)	
Payroll & Personnel Project	60	28	68	40	
Exchequer	1,770	2,384	2,339	(45)	
	4,757	6,863	6,512	(351)	1

BY SUBJECTIVE

Staff Costs	8,629	10,262	9,715	(547)	
Other Costs	1,431	1,673	1,923	250	
Gross Expenditure	10,060	11,935	11,638	(297)	
Grants	(1,705)	(1,871)	(1,871)	0	
Other Income	(3,598)	(3,201)	(3,255)	(54)	
Total Income	(5,303)	(5,072)	(5,126)	(54)	
	4,757	6,863	6,512	(351)	

Notes

1. %age of Annual Expenditure	Feb-09	69%
	Feb-08	72%